

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND

In re:

*

John Francis Liparini

*

Case No. 12-26529

Chapter 7

Debtor.

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**SUPPLEMENTAL RESPONSE AND PARTIAL OBJECTION TO
TRUSTEE'S NOTICE OF PRIVATE SALE OF DEBTOR'S OWNERSHIP INTEREST
IN LISTED CORPORATE ENTITIES**

John Liparini ("Debtor") hereby supplements his response to the Trustee's Notice of Private Sale of Debtor's Ownership Interest in Listed Corporate Entities (the "Sale Notice") and partially objects to the Sale Notice as follows:

The Debtor has previously objected to the Sale Notice on the grounds that the interest of W&S Utility, LLC should not be included as it is held 90% by the Debtor and his wife, Kathleen Liparini, as tenants by the entireties and 10% by Nicholas Liparini. The Debtor also believes that the Trustee should not be authorized to sell the Debtor's interest, if any, in Gwenridge, LLC. The bases for this objection are: (1) as of April 5, 2008, the Debtor's interest in Gwenridge was held jointly with Kathleen as tenants by the entireties (*see* Third Amendment to Operating Agreement of Gwenridge, LLC, attached hereto as Exhibit "A"); and (2) prior to September 30, 2012 all of the interests in Gwenridge had been transferred to The Liparini Company (see The Liparini Company's balance sheet as of September 30, 2012, in which that entity's assets are stated to include "100% ownership interest in Gwenridge, LLC").

WHEREFORE, John Liparini requests that this Court deny the Sale Notice subject to the limitations raised herein and such other and further relief that the court deems just.

/s/Ronald J. Drescher
RONALD J. DRESCHER
4 Reservoir Circle

Suite 107
Baltimore, MD 21208
(410) 484-9000

Counsel for Debtor

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 6th day of September, 2013, I served a copy of the foregoing by the Court's electronic case filing system.

/s/Ronald J. Drescher
Ronald J. Drescher

EXHIBIT A

**THIRD AMENDMENT TO OPERATING AGREEMENT
OF
GWENRIDGE, LLC**

THIS THIRD AMENDMENT TO OPERATING AGREEMENT (this “**Amendment**”) of Gwenridge, LLC (the “**Company**”) is made as of the 5th day of April, 2008, by and between the undersigned members of the Company (collectively referred to herein as the “**Members**”).

EXPLANATORY STATEMENT

Gwenridge, LLC (the “**Company**”) was formed as a limited liability company pursuant to the Maryland Limited Liability Company Act (the “**Act**”) by the filing of Articles of Organization with the Maryland Department of Assessments and Taxation (“**SDAT**”) on May 14, 2002 (the “**Articles**”), and is governed by that certain Operating Agreement, dated May 14, 2002, The First Amendment to the Operating Agreement, dated February 28th, 2007 and the Second Amendment to the Operating Agreement dated March 15, 2007. (the “**Operating Agreement**”).

Pursuant to Paragraph 6.1 of the Operating Agreement, and all Members having unanimously consented to the transfer described below and all Conditions of Transfer having been satisfied, the Members now desire to amend the Operating Agreement as set forth herein to reflect the foregoing.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises of the parties, and other good and valuable consideration, the undersigned agree as follows:

1. Exhibit A of the Operating Agreement and all prior amendments is hereby deleted in its entirety and replaced with Exhibit A attached hereto.
2. Except as herein provided, the terms of the Operating Agreement shall remain in full force and effect.

[Signatures contained on next page]

IN WITNESS WHEREOF, the undersigned acknowledge that this Third Amendment to Operating Agreement is their act, and further acknowledge, under penalties of perjury, to the best of their information and belief, that the matters and facts set forth herein are true in all materials respects, and that they have executed this Third Amendment to Operating Agreement under seal as of the day and year first above written.

WITNESS/ATTEST:

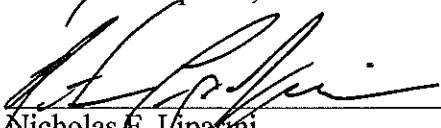
MEMBERS:

THE LIPARINI COMPANY.

Susan H. Mayer


By:  (SEAL)
John F. Liparini, President

Susan H. Mayer

 (SEAL)
Nicholas F. Liparini

WITHDRAWING MEMBER


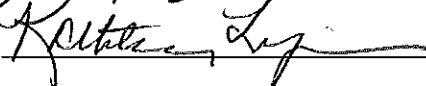
Susan H. Mayer

 (SEAL)
John F. Liparini

Susan H. Mayer

NEW MEMBER

Susan H. Mayer


 (SEAL)

John F. and Kathleen Liparini Tenants
By the entirety

GWENRIDGE, LLC
OPERATING AGREEMENT

EXHIBIT A

List of Members, Capital and Percentage

<u>Name and Address</u>	<u>Initial Capital Contribution</u>	<u>Percentage</u>
The Liparini Company c/o John Liparini, President 8835-P Columbia Parkway Columbia, Maryland 21045		1%
John F. and Kathleen Liparini Tenants By the entirety 8835-P Columbia Parkway Columbia, Maryland 21045		89%
Nicholas F. Liparini 8835-P Columbia Parkway Columbia, Maryland 21045		10%

EXHIBIT B

Liparini Company
Balance Sheet
As of September 30, 2012

ASSETS**Current Assets****Checking/Savings**

Operating Accounts	1,383.48
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Petty Cash	24.60
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Total Checking/Savings	1,408.08
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Accounts Receivable

Accounts Receivable	83,204.14
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Total Accounts Receivable	83,204.14
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Total Current Assets	84,612.22
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Fixed Assets

Fixed Assets	16,589.77
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Total Fixed Assets	16,589.77
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Other Assets

Land Deposit - Timber Ridge	6,000.00
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Prepaid Rent	80,763.44
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Contract Deposit - Mehta	48,000.00
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7310 Esquire Court Costs, net of accum deprec	1,811,691.39
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Intercompany Receivable	194,246.56
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Investment in Entities	3,364.00
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Total Other Assets	2,144,065.39
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TOTAL ASSETS	2,245,267.38
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LIABILITIES & EQUITY**Liabilities****Current Liabilities****Accounts Payable**

2000 - Accounts Payable	56,877.27
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Total Accounts Payable	56,877.27
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Other Current Liabilities

Credit Card	31.40
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Escrow Payable PW	950.00
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Total Other Current Liabilities	981.40
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Total Current Liabilities	57,858.67
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Liparini Company
Balance Sheet
As of September 30, 2012

Long Term Liabilities	
M&T Loan Payable	1,481,679.33
Security Deposit Payable	6,022.17
Total Long Term Liabilities	<u>1,487,701.50</u>
 Total Long Term Liabilities	 <u>1,487,701.50</u>
 Total Liabilities	 <u>1,545,560.17</u>
 Equity	
Equity	591,595.69
Retained Earnings	721,479.46
Net Income	-613,367.84
Total Equity	<u>699,707.21</u>
 TOTAL LIABILITIES & EQUITY	 <u><u>2,245,267.38</u></u>

Footnotes:

- 1 Represents cost of building. Current fair market value from appraisal by M&T Bank, in year 2011, approximates \$1,500,000.

Entity includes 100% ownership interest in Gwenridge, LLC and Esquire Court LLC

The Liparini Company

Profit Loss

January through September 30, 2012

Ordinary Income/Expense

Income

Management Fee	342,345.09
Rental Income	36,378.85
Miscellaneous	2,751.00
Total Income	<u>381,474.94</u>

Cost of Goods Sold

Project Costs	28,205.53
Total COGS	<u>28,205.53</u>

Gross Profit 353,269.41

Expense

Overhead	131,995.74
Occupancy Expense	40,592.18
Interest Expense	920.02
Professional Fees	85,590.40
Rental Expense	1,156.33
Total Expense	<u>260,254.67</u>

Income before closed subdivisions 93,014.74

Write-off of subdivision costs 706,382.58

Net Loss -613,367.84

The Liparini Company ownership:

- 100% in the activities for The Liparini Company.
- 100% of the ownership interest in Gwenridge LLC. As of January 1, 2011, the ownership of Gwenridge LLC:

From:

Nicholas Liparini 10%

John & Kathleen Liparini, T/E

To:

The Liparini Company 100%

- Gwenridge owns 100% of Esquire Court LLC. As of May 12, 2011, the ownership of Esquire Court, LLC:

From:

Gwenridge LLC 50%

Coburn Esquire LLC 50%

To:

Gwenridge LLC 100%

Coburn Esquire is owned 100% by John Liparini. Coburn Esquire only has the M&T Loan of 7310 Esquire Court as a liability on its books.